

CALIFORNIA ENERGY COMMISSION

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February 9, 2006

TO: INTERESTED PARTIES

SUBJECT: REQUEST FOR PROPOSALS (RFQ) #400-05-404
Addendum #1

Notice is Hereby Given That The Above RFQ Is Amended As Follows

Section IV, Scope of Work, is amended as follows:

Add the attached "Key Topic Areas" to the Scope of Work.

Attached are the most significant questions and answers presented at the Bidder's Conference and received in writing, and a list of conference attendees. Please remember that all Disabled Veteran Business Enterprise Participation Goals or Good Faith Efforts must be met.

All further questions regarding this RFQ must be administrative only and directed to the Contract Officer. All Statements of Qualifications must be **delivered no later than 5:00 PM, February 28, 2006, to the Energy Commission.**

Except as herein amended, all other terms and conditions shall remain the same.

Sincerely,

PEG A. BERGMANN
Contract Officer

Attachments

California Home Energy Rating System

RFQ 400-05-404

Further Information on Key Topic Areas

The Contractor will have on its team individuals who are knowledgeable about the Energy Commission's Key Topic Areas for the California Home Energy Rating System Program. These topic areas include but are not limited to the following:

A. Energy Modeling and Rating Scales

Public Resources Code Section 25942 requires that the Energy Commission establish program criteria for the California Home Energy Rating System Program, including the following:

1. Consistent, accurate, and uniform ratings based upon a single statewide rating scale.
2. Reasonable estimates of potential utility bill savings, and reliable recommendations on cost-effective measures to improve energy efficiency.

The Energy Commission adopts and implements the California Building Energy Efficiency Standards (Title 24, Part 1, Chapter 10 and Part 6). Those Standards are fundamentally performance standards (with prescriptive alternatives) that rely on building energy simulation computer programs to be used to demonstrate compliance. The Energy Commission, as directed by statute, maintains public domain compliance software and approves privately developed compliance software that is demonstrated to produce similar results as the public domain "reference" program. The Energy Commission has developed an extensive set of rules for acceptable algorithms and calculation methods, and that compliance software must use to be approved by the Energy Commission. These rules, contained for residential buildings in the Residential Alternative Calculation Methods (ACM) Approval Manual, are intended to ensure that the calculations for compliance with the Standards are consistent, accurate and uniform, provide reasonable estimates of energy use, and enable reliable conclusions regarding the cost-effectiveness of energy efficiency measures under consideration for inclusion in the Standards. The ACM Manual(s) adopted by the Energy Commission is widely recognized as a model for setting such rules for building simulation software due to its comprehensiveness and attention to detail. The ACMs have been thoroughly reviewed through public processes and adopted as regulations by the Energy Commission. The ACMs contain many rules that implement Energy Commission policy related to proper building modeling, including but not limited to 1) how to use Time Dependent Valuation to ensure that energy efficiency measures are properly valued for their hourly and seasonal time of use impacts relative to California's energy systems, and 2) how to model the impacts of Energy Commission-approved protocols and field verification procedures to accomplish high quality installation of building components and equipment that are prone to construction defects.

The Energy Commission intends to build on the rules for building energy simulation modeling used for showing compliance with California Standards to establish acceptable methods for modeling buildings to estimate energy consumption for the purpose of establishing energy ratings and conducting cost effectiveness analysis under the California Home Energy Rating System Program. The Energy Commission intends to use the Residential ACM Approval Manual as a baseline for establishing such rules for the California HERS Program.

The Contractor will investigate to what extent the rules established in the Residential ACM Approval Manual may need to be revised for the purposes of the California HERS Program. This investigation will consider modeling parameters that may be more sensitive for older residential buildings that have had extremely little improvement related to energy efficiency as compared to newly constructed buildings. Also, the Contractor will consider to what extent the modeling algorithms or parameters should be different for ratings for multi-family buildings as compared to single family buildings. The Contractor will arrange to have potential changes to these parameters and algorithms implemented in compliance software that is approved for use with the 2005 Residential Building Energy Efficiency Standards, and will test the changes to determine if they result in improvements in accuracy or reasonableness. The Contractor will thoroughly review potential changes and implementation of those changes in the software with the Energy Commission and other experts that the Contract Manager identifies.

The Contractor also will investigate the reasonableness of establishing a statewide rating scale that would apply to the range of energy efficiency measures that would exist in the California building stock based on the rules of the Residential ACM Manual as modified by the potential changes discussed above, and will identify approaches to make the rating scale more reasonable if necessary. The Contractor will thoroughly review the resultant rating scale and potential modifications with the Energy Commission and other experts that the Contract Manager identifies.

A special issue related to this topic area is whether or not the estimated energy consumption and the rating resulting from the building modeling should be adjusted to account for specific energy bill information for the residence. The Contractor will investigate the advantages and disadvantages of such modification, and develop a potential technique for accomplishing such modification. The Contractor will thoroughly review the advantages and disadvantages of adjustment of the estimated energy consumption and the potential technique for such modification with the Energy Commission and other experts that the Contract Manager identifies.

Another special issue related to this topic is whether or not the California HERS Program should address lighting and appliances (both appliances that are permanently installed in the building and those that are portable and subject to being moved from the building at time of sale) in the rating or the cost effectiveness analysis conducted by the rater. The Contractor will investigate the advantages and disadvantages of including lighting and appliances, and develop potential techniques to estimate the energy consumption associated with appliances and lighting (addressing the expected hours of use of lighting in different locations in the house and the useful life of different lighting equipment and different appliances). The Contractor will thoroughly review the advantages and disadvantages of including lighting and appliances and potential techniques to estimate the energy consumption of lighting and appliances with the Energy Commission and other experts that the Contract Manager identifies.

B. RESNET Standards for Provider Accreditation and Technical Guidelines

The Residential Energy Services Network (RESNET) administers a national program of accreditation for HERS providers and technical guidelines for completing ratings and analysis to determine the cost effectiveness of measures for qualifying for energy efficiency mortgage financing programs. Some HERS providers operating in California have been accredited by RESNET.

Section 201.1.2 of RESNET's *National Rater Training and Certifying Standard* states the following:

Relationship to State Law. These standards specifically recognize the authority of each state that has a state law which requires certification or licensing of home energy rating systems. To the extent that such state laws differ from these standards, state law shall govern.

This provision allows the California Home Energy Rating System Program, which is uniquely designed to meet the needs of California, to co-exist and cooperate with RESNET's national program.

Over the past several years, RESNET has developed detailed procedures and guidelines that address many of the issues that should be addressed by the California HERS Program. Undoubtedly, many of the conclusions and procedures that have been developed would serve California's needs. To accomplish some California goals, however, there will be specific reasons for a unique California approach that would be different than what RESNET has established.

The Contractor will become thoroughly familiar with RESNET accreditation procedures, technical guidelines and other policies. The Contractor will investigate the applicability of the specific details of those procedures, guidelines and policies and will assess which procedures, guidelines and policies would serve California needs and which would not be constructive to apply in the California HERS Program. The Contractor will thoroughly explain RESNET's procedures, guidelines and policies to Energy Commission staff, and review with Energy Commission staff the results of the Contractor's assessment of the applicability of specific aspects of those procedures, guidelines and policies to the California HERS Program.

In completing the work related to the Energy Modeling and Rating Scale topic (A above), the Contractor will identify aspects of the Residential ACM Manual and proposed modifications that are different from RESNET's technical guidelines, and will assess the implications on energy consumption estimates and the rating scale associated with these differences. A special aspect of this work will be the procedures that RESNET has developed related to lighting and appliances.

C. Role of Home Energy Inspectors and Raters in Improving Home Energy Efficiency

Business and Professions Code Section 7195(a) allows an energy efficiency inspection to be provided by a home inspector upon request by the client. The energy efficiency inspection that is allowed is limited to the noninvasive inspection of specific equipment and building components as listed in the statute. Public Resources Section 25401.7 allows a buyer or seller of a single-family residential dwelling to request an energy efficiency inspection, and obligates the home inspector to provide contact information for obtaining home energy information.

The function of a home energy rater can be separated into 1) physical inspection of the existing conditions of the energy using features (components and equipment), 2) estimation of the energy consumption and home energy rating associated with the current features, 3) identification of energy efficiency improvements that are feasible, 4) estimation of the energy consumption and home energy rating associated with the improvements, 5) determination of which energy efficiency improvements are cost effective, 6) recommendation of specific improvements to the homeowner. The statutes related to energy inspections establish the home inspector's role as the critical first step that defines the scope of the other aspects of an energy rating that would follow as a result of the energy inspection.

One program has been piloted in California that builds on the home inspector's delivery of an energy inspection and adds on the other aspects that make up the full home energy rating service (GeoPraxis, Inc.'s *EnergyCheckup!*TM Program). This program relies on the services of a home inspector to conduct the physical energy inspection (following a checklist); then the inspector provides the results of the energy inspection to the headquarters office that uses that information to estimate the energy consumption and establish a current rating, identifies energy efficiency improvements that may be cost effective and recommended, and provides information that can be provided to a financial institution to gain mortgage or other financing for the improvements. The major advantages of the program are that this can be a value-

added service that can be delivered by the home inspector in the course of their home inspection (that occurs in the vast majority of residential home sales in California), and the home energy rating can be produced efficiently from a time and cost standpoint. The program has earned the support of the home inspection trade associations in California.

A potential disadvantage of this approach is that the service typically does not include the diagnostic testing services (e.g., building envelope pressurization and duct pressurization testing) that home weatherization experts typically advocate be done at the time of the initial rating (“test-in”) to fully assess the opportunities for remediation in each particular house. From this vantage point, one might characterize the approach as “Energy Rating – Lite.”

An opportunity that should be explored is whether the California HERS Program should distinguish between different types of services that are on a continuum of energy rating levels. These levels might recognize 1) an energy inspection, 2) an energy rating based on an energy inspection, 3) an energy rating based on diagnostic testing. If such levels were recognized in the California HERS Program, a determination would need to be made about how to communicate the value and purpose of each service.

The Contractor will investigate the advantages and disadvantages of differentiating various levels of energy inspection/rating services in the California HERS Program, and develop potential approaches to recognize those various levels and communicate their value and purpose. The Contractor will thoroughly review the advantages and disadvantages and potential approaches to recognize different inspection/rating levels with the Energy Commission and other experts that the Contract Manager identifies.

D. Energy Efficiency Measure Costing

One aspect of meeting the statutory requirement for establishing the program criteria for “reliable recommendations on cost-effective measures” is to establish consistent techniques for how measure costing should be completed by HERS Providers or Raters. Inaccurate measure costing can change the determination of what measures are cost effective and result in incorrect recommendations to the client and to the financing entity. Alternative approaches to measure costing could include establishment of a central source of estimates of measure cost, assignment of the measure cost function to the HERS provider, or procedures for obtaining bids at the local level by each rater.

The Contractor will investigate the advantages and disadvantages of different approaches to establishing measure costs, and develop a proposal for how measure costs should be addressed by the California HERS Program. The Contractor will thoroughly review the advantages and disadvantages of potential approaches to establish measure costs with the Energy Commission and other experts that the Contract Manager identifies.

E. Rating Report Content and Labeling Requirements

Public Resources Code Section 25402.9 requires the Energy Commission to establish California HERS Program criteria for “labeling procedures that will meet the needs of home buyers, homeowners, renters, the real estate industry, and mortgage lenders with an interest in home energy ratings.” The rating report and label should effectively communicate the rating and the results of the cost effectiveness results to the buyer, seller, real estate broker/agent, real estate appraiser, and the lenders who will consider financing the recommended improvements.

The Contractor will investigate what format and content should the California HERS Program expect to be provided by the rating report and label with special consideration of the needs of the consumer, appraiser and lender. Some companies have been recording a HERS rating report and label for the

specific home with the County Recorder. The Contractor will investigate the feasibility and benefit of this approach.

An additional important aspect of this investigation is review of the format and content requirements that have been established by the RESNET procedures and guidelines. The Contractor will develop proposed format and content recommendations. The Contractor will thoroughly review its determinations of what format and content should be expected by the California HERS Program with the Energy Commission and other experts that the Contract Manager identifies.

F. Implications of the Energy Policy Act of 2005

In August 2005 Congress passed the *Energy Policy Act of 2005* that included tax credits for specific energy efficiency measures. One of the key features of the bill was the requirement for verification of a new home's energy performance in the process of qualifying for a tax credit. The U.S. Department of Treasury is directed to establish building modeling and verification procedures after consultation with the U.S. Department of Energy.

The Contractor will become thoroughly familiar with the provisions of the *Energy Policy Act of 2005* that may relate to building modeling and verification procedures for the California HERS Program. The Contractor will also become thoroughly familiar with actions taken by the U.S. Department of Treasury and/or the U.S. Department of Energy to establish modeling and verification procedures. The Contractor will identify any aspects of those procedures that should appropriately be addressed in the California HERS Program.

The Contractor will thoroughly review the aspects of modeling and verification procedures that should be addressed in the California HERS Program advantages with the Energy Commission and other experts that the Contract Manager identifies.

G. Other Issues

The Energy Commission expects that during the course of investigation of the above issues and through discussions at workshops and hearings, additional issues likely will be identified that require further investigation and analysis to determine how the issues should be addressed in the California HERS Program.

The Contractor will conduct investigations and analysis of additional issues that are identified by the Contract Manager. The Contractor will thoroughly review the results of that investigation and analysis and the advantages and disadvantages of proposed approaches to address the issues with the Energy Commission and other experts that the Contract Manager identifies.

The Contract Manager may establish working groups and/or task forces to work on any specific issues or any of the above topic areas, and may direct the Contractor to participate in meetings and/or conference calls as necessary.

RFQ # 400-05-404, Addendum #1
California Home Energy Rating System Program

Questions and Answers from the Pre-bid Conference February 2, 2006,

Administrative Requirements

Question #1: Is a Table of Contents required for the technical response?

Answer: The package must be in two volumes, administrative and technical. A Table of Contents for each volume is useful. Tabs will make the processing of the Statement of Qualifications (SOQ) much faster.

Question #2: Is the pre-bid conference a mandatory meeting for bidders?

Answer: No.

Question #3: Are entities currently involved with the California HERS program (e.g. providers and raters) eligible to perform this work either as prime contractors or subcontractors?

Answer: Yes, what is critical, however, is that bidders be well qualified to perform the tasks and address the key topic areas described in the RFQ and detailed in the Further Information on Key Topic Areas document.

Question #4: What fraction of bids that have been submitted to the Commission in the past meet the 3 percent DVBE requirement versus using good faith efforts?

Answer: We generally see bidders meeting the 3 percent requirement. Years ago the DVBE portion of the contract submittal was typically copying or assembling information. Today there are many DVBE's that are engineers and architects. The Commission has been proactive in putting together a list of engineers, architects and such who are available for work in California.

Question #5: How do I address the envelope with the packets?

Answer: The project title "California Home Energy Rating System Program" and RFQ number 400-05-404 should be labeled on the packets.

Question #6: Since a prime contractor could reject the DVBE on price, will the Commission expect to see DVBE prices in submittals?

Answer: No prices are to be submitted in the bidder's response. As explained in the Cost Negotiations section on page 8 of the RFQ, the contract price will be negotiated after a contractor is selected and at that time the rates proposed for DVBE staff will be addressed just as any rates of each of the other staff included in the proposal.

Question #7: Can the Commission somehow build in some control over situations where contractors have the sole discretion to determine whether a DVBE's prices are "too high?"

Answer: At the time of team formation to prepare a proposal, the negotiation of prices is a matter between the prime contractor and the DVBE subcontractor. Later, at the time of Cost Negotiations, the

DVBE subcontractor is subject to the same requirements for acceptable rates as any other staff in the proposal.

Question #8: Since the Commission is in charge of RFQ policy, could the Commission look into this?

Answer: The Department of General Services may develop more specific policies for DVBE participation in RFQs (as compared to RFPs). We do scrutinize proposed DVBE rates during the cost negotiations step.

Question #9: Is it possible to receive more detailed information regarding the Key Topic Areas noted in Task 7?

Answer: More detailed information is provided in the Further Information on Key Topic Areas handout made available at today's meeting. This will also be sent out with the Qs and As and posted on the website. This is a very important document for potential bidders to review in determining whether or not they are qualified to bid.

Question #10: Is a purchase order required to be submitted with the SOQ for subcontractors which would then disclose rates?

Answer: A purchase order is not required unless you are selected as the successful bidder.

Question #11: What if the prime contractor is also a DVBE, how would the rate issue be addressed?

Answer: Prime contractors are not to include rates with the SOQ. Prime contractors would naturally meet the 3 percent requirement if they also were a DVBE. Costs are negotiated after the selection process (see page 8 of RFQ). The Commission will judge through that process whether each staff person on the successful bidder's team has acceptable rates; and if not, that bidder could be rejected with the next highest ranking bid chosen. The Commission would contact the prime contractor and obtain the general rate with the DVBE and may negotiate lowering rates if the Commission determines them to be too high.

Question #12: Would the scope of work change if the amount of the contract decreased (or increased) as indicated on page 2 of the RFQ?

Answer: There is a maximum of up to \$400,000 available for this contract. The Commission reserves the right to increase or decrease the amount of the contract as needed to meet budget or program requirements (page 2 of the RFQ). If the funding level changed, the scope of work would be adjusted to reflect that change.

Technical Requirements

Question #13: Has the Commission given thought to preferring a single prime contractor or using expertise in each area with separate contracts for each?

Answer: There will be one contract only. Each SOQ stands alone and will be scored based on the evaluation criteria contained in the RFQ. There is no flexibility to pick part of one SOQ and part of another to make a new team. We expect to see an SOQ that addresses how the bidder will provide the expertise needed in each area, which would likely be a prime contractor with subcontractors providing expertise in specific areas as described in the Further Information on Key Topic Areas.

Question #14: Do bidders have to do all the team coordination first?

Answer: Yes, each SOQ will be evaluated in terms of how well it shows that the team is qualified in all of the Tasks and Key Topic Areas.

Question #15: Does this RFQ cover both residential single family and multi-family buildings and both existing and new construction?

Answer: This RFQ covers all these categories.

Question #16: Bidders should then cover new and existing residential housing?

Answer: The focus is on existing residential housing. However, the rating system will also need to cover new construction, so both must be addressed.

Question #17: Are there insurance provisions we should be aware of?

Answer: There are no insurance requirements in this RFQ. Insurance is up to each contractor. The Commission is not required to provide this. It is not apparent that any of the Tasks or the Key Topic Areas would involve “field work.”

Question #18: Will the Commission consider potential conflicts of interest or discuss the potential of a conflict of interest as an evaluation criteria?

Answer: There is no evaluation criteria regarding conflict of interest. What is critical is that the team is well qualified to complete each of the Tasks and each Key Topic Area as described in the Further Information on Key Topic Areas.

Question #19: A team may form around CalCerts, CHEERS, or RESNET and would basically give the Commission an obligation to contract with one or another of these approaches. Would the Commission feel the ACM and the process that is set up is transparent and open enough to not worry about the potential conflict of interest?

Answer: The Commission believes that the successful team will be organized around the tasks and the Key Topic Areas described in the RFQ and the Further Information on Key Topic Areas rather than any affiliations that currently exist.

Question #20: Early in the HERS proceedings there were accuracy problems with applying RESNET to California for existing homes. Would there be a problem with using a RESNET type system, even though this work is California centric?

Answer: Because of California’s specific statutory authority and responsibility, work is necessarily California-centric. The relationship between what is needed to be developed for California’s requirements relative to the RESNET system is described in the Further Information on Key Topic Areas.

Question #21: There are ACM, RESNET, and software accreditation elements. Regarding the technical manual, is it an option to consider a different way of doing this? How close do we have to be to CALRES?

Answer: This is further discussed in the Further Information on Key Topic Areas. The ACM is the baseline for this work. The Commission would consider other approaches, but would not intend to

deviate from the ACM unless we have a very good reason for changing the approach, although we are open to dialogue on the subject.

Question #22: Is there a Commission position on the tax credits in the Energy Policy Act and the performance methods that may be used?

Answer: Please see the Further Information on Key Topic Areas. Decisions on tax credits are made by Federal agencies; demonstrations of eligibility to qualify for tax credits would have to abide by federal requirements.

Statement #23: There is some indication that an attempt has been made for integration at the federal level and that the Energy Policy Act cites the ACM as technical foundation for the software to be used in developing a HERS program.

Response: As indicated in the Further Information on Key Topic Areas, it is expected that the contractor would be thoroughly familiar with the tax credit procedures and how that might relate to the California HERS Program.

Question #24: If one is familiar with the ACM, but also knows something can be done differently and that could be adapted to California, how would the Commission consider that in its evaluation of the SOQs?

Answer: There is no definitive answer to this hypothetical situation without seeing what is stated in the actual SOQ. The evaluation will be conducted using the Criteria for Evaluation shown in the RFQ.

Question #25: Who wrote the ACM manual?

Answer: The ACM manual was first drafted by the Commission and its contractors in the 1980's, and has been updated many times since then with input from various groups. For the last two updates to the Standards, the Commission has been assisted by a contractor team made up of AEC as the prime contractor and several subcontractors. Berkeley Solar Group was the subcontractor who led a team that developed the most recent changes to the Residential ACM Manual.

Question #26: The RFQ cites the availability of both commission-developed public domain software and privately-developed software for compliance with Title 24.

However the Energy Commission's website

(http://energy.ca.gov/title24/2005standards/2005_computer_prog_list.html) reports that only privately-developed software is currently available for use in determining residential compliance with the 2005 standards. What is the current status of the public domain residential compliance software, and when is a fully functional version expected to be available for use by researchers, end users, and/or third-party software vendors?

Answer: The Commission anticipates that the public domain residential compliance software program will be available by July 2006.

Question #27: Will researchers be expected to use the public domain and/or one/both of the proprietary tools?

Answer: As indicated in the Further Information on Key Topic Areas, the Contractor will be expected to address the Energy Modeling and Rating Scale Topic Area issues using compliance software that is approved for use with the 2005 Standards and to arrange to have potential changes to algorithms or

parameters implemented in that software so those changes can be evaluated for Commission consideration.

Question #28: If/when the tools are made available, will source code be available to third-party software developers and researchers so that they will be able to identify key model inputs and test parameter sensitivities?

Answer: No, the source code is not available for the purposes of this contract.

Question #29: Is there a public report (or other internal documents that can be made available to bidders) comparing the relative performance of the public domain and/or proprietary software (per 2005 residential ACM)?

Answer: There is no such report. This comparison is not necessary for preparation of the SOQ.

Question #30: Has the commission received applications from any other third-party software vendors for residential 2005 title 24 compliance tools, and if so what is the status and expected decision date(s) on these tools?

Answer: The Commission has not received additional applications from other third-party software vendors for 2005 Standards compliance software.



California Energy Commission

CALIFORNIA HOME ENERGY RATING SYSTEM (HERS)

California Energy Commission

Request for Qualifications

400-05-404

Pre-Bid Conference

February 2, 2006



Administrative Requirements

- STATEMENT OF QUALIFICATIONS
- Consists of Two Volumes
- VOLUME 1 - Administrative Response
- VOLUME 2 - Technical Response



Volume 1, Administrative Response

Every bidder must complete and include the following forms in Volume 1.

- Contractor Status Form, Attachment 1
- DVBE Forms, Attachment 2
- Signed Certification Clauses, Attachment 3
- Statement of Compliance, Exhibit B



Volume 2, Technical Response

Every bidder must complete and include the following in Volume 2.

- Approach to Tasks in Scope of Work, Attachment 5
- Contractor Qualification
- Cost Minimization
- Project Team Organization Structure
- Project Team Relevant Experience and Qualifications
- Customer References, Attachment 4
- Examples of Prior Work



Disabled Veteran Business Enterprise (DVBE) Requirements

TWO options for Bidders:

Option A, Commitment (STD 840, side 1) - full DVBE participation (3% of total contract amount)

Option B, Good Faith Effort (STD 840, side 2) - partial DVBE participation or no DVBE participation



DVBE (cont'd)

Option A – Commitment

Commit to meet or exceed the DVBE participation requirements by either of the following methods:

Method A1 – Bidder is a Certified DVBE

- a. commitment for your DVBE firm, or in combination with other DVBE firm(s), to perform at least 3% of the contract amount



DVBE (cont'd)

- b. complete STD 840 (side 1) and attach copies of applicable certifications
- c. submit agreements with any other DVBE firm(s) identified on STD 840 (side 1)



DVBE (cont'd)

Method A2 – Subcontractor is a certified DVBE

- a. commit to using certified DVBE firm(s) for at least 3% of the contract amount
- b. document DVBE participation on STD 840 (side 1) and attach a copy of the DVBE(s) certification



DVBE (cont'd)

- c. For a partial commitment (less than 3% DVBE participation) you must complete Option B, Good Faith Effort (STD 840, side 2) in addition to Option A, Commitment (STD 840, side 1)
- d. prior to cost negotiations and posting the Notice of Proposed Award, Bidder must submit all Agreements with participating DVBE firm(s) identified on the STD 840



DVBE (cont'd)

Option B, Good Faith Effort (no DVBE participation)

Perform and document the following steps 1-5,
including completing STD 840 (sides 1 and 2)

Step 1 – Contact the Awarding Department

Step 2 – Other State and Federal Agencies, and
Local Organizations



DVBE (cont'd)

Step 3 –Advertisements

- Ads must appear 14 calendar days prior to bid due date
- Ads must include the following:
 - 1) bidder's company name
 - 2) bidder's contact name
 - 3) bidder's address



DVBE (cont'd)

- 4) bidder's E-mail address (if applicable)
- 5) the state's solicitation number
- 6) services for which the state is soliciting
- 7) location of the work to be performed
- 8) the State's bid due date and/or bidder's due date for receiving DVBE responses
- 9) telephone and facsimile numbers



DVBE (cont'd)

- Bidders must publish two ads, one in a trade paper and one in a DVBE focus paper. If the paper is dual purpose and fulfills both requirements, only one ad is required
- Bidder must provide the publication name, contact name and phone number, and date ad was placed
- Bidder must submit ad copies with bid



DVBE (cont'd)

Step 4 - Invitations to Participate

- Invite (solicit) DVBEs who provide relevant services (steps 1-3 provides potential DVBEs) to the contract
- Written invitations are required and must contain at least the following:
 - 1) company name
 - 2) contact name



DVBE (cont'd)

- 3) address
- 4) phone and facsimile numbers
- 5) return e-mail address (if applicable)
- 6) the state's solicitation number
- 7) services for which the state is soliciting
- 8) location of work
- 9) the State's bid due date and/or your due date for receiving DVBE responses



DVBE (cont'd)

- Document completed contacts on STD 840 (side 1), Section A
- Submit copies of the following:
 - 1) each invitation of offer
 - 2) confirmation of transmittal or delivery
- Bids shall be considered non-responsive if copies of invitations or offers are not submitted with the bid



DVBE (cont'd)

Step 5 – Consider all responding DVBEs

Consideration must be based on contract needs.
Evaluation criteria must be the same for each
potential DVBE subcontractor

- Bidder must document any DVBE firm(s) selected for participation on STD 840 (side 1)
- Bidder must document any firm(s) not selected for participation and the reason for non-selection on STD 840 (side 1)



Tentative Key Activities and Dates

- February 9, 2006 - Distribute Questions & Answers
- February 29, 2006 - Proposals due by 5:00 PM
- March 22-23, 2006 - Discussions with Bidders
- March 24, 2006 - Notice of Selection
- April 6, 2006 - Cost Negotiations
- April 20, 2006 - Notice of Proposed Award
- June 21, 2006/ March 31, 2008 - Term of Agreement



HERS Overview

- Commission directed by statute to establish statewide program
- Required elements:
 1. Accurate and uniform utility ratings based on single statewide rating scale
 2. Estimates of potential utility bill savings
 3. Recommendations on cost-effective measures to improve energy efficiency
 4. Training and certification procedures for home raters



HERS Overview (cont'd)

5. Quality assurance procedures to promote accurate ratings and protect consumers
6. Establish uniform reporting system for information on residences
7. Labeling that meets the needs of home buyers, homeowners, renters, the real estate industry, and mortgage lenders



HERS Overview (cont'd)

- Phase I:
 - Set up framework for how HERS would operate
 - Included training and certification procedures for raters
 - Included quality assurance procedures
 - And data collection and reporting requirements



HERS Phase II

- AB 549 connection (increasing existing home efficiency)
- Address technical issues and develop uniform rating method (prepare technical manual)
- Account for variety of energy systems and building types in existing home market (time of sale transactions)



HERS Phase II (cont'd)

- Address market actor information needs
 - Services available (raters, utility programs, lenders)
 - Encourage cost effective efficiency improvements
 - Assess future utility bills
 - Labeling information
- Prepare consensus program regulations (rulemaking proceeding)



Section IV – Scope of Work

- Information Booklets
- Research and Analysis (various topics)
 - Energy modeling and rating
 - Efficiency measure costing
 - Role of market actors
- Draft HERS Program Regulations
- Draft HERS Technical Manual
- Participate in Rulemaking Proceeding
- Contingencies



Question and Answer Session



Whom to Contact?

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